

# WORKFORCE OBSERVATIONS FOR SOUTHEAST WISCONSIN COUNTIES

## AUGUST 2001



State of Wisconsin  
Department of Workforce Development

### **A note to subscribers of the Southeast Labor Market Review:**

The new *Workforce Observations for Southeast Wisconsin Counties* supercedes the *Southeast Wisconsin Workforce Development Area Labor Market Review* as a current and timely labor market information source for the Kenosha and Racine MSA/Counties and Walworth County. The data reported in the new version will be for the month previous to the publication date, e.g., this August 2001 issue will report local area data for the month of July 2001. In the previous *Labor Market Review* format, the reported data lagged two calendar months. We are confident that this will serve as a more timely compendium of local labor market and other economic information.

*Workforce Observations* condenses from four pages to a two-page format. Volume and issue number will no longer be contained as the review will be labeled only by month and year. The most current labor force and non-farm wage and salary employment figures will continue to be displayed comparing month-ago and year-ago figures. Analysis of the current labor market will be also be offered along with the data. This will be mailed roughly the last week of every month within days of the official release of the labor force data.

We encourage the reference of our website at <http://www.dwd.state.wi.us/lmi/> for more historic data or information from other locales in Wisconsin. We also recommend that users become familiar with the U.S. Department of Labor's, Bureau of Labor Statistics website at <http://146.142.4.22/>.

### **July Labor Scene in the Southeast WDA**

The **Kenosha MSA** seasonally adjusted unemployment rate declined over the month one-tenth of a percentage point to 4.3 percent in July. Bolstering this rate decline is the report of 1,400 more persons employed with no change in the number of those unemployed. The July 2001 rate is unchanged from the rate of the July 2000 with an additional 2,600 in the labor force-2,500 employed and 100 unemployed. The City of Kenosha unemployment rate registered 7.5 percent (city rates are only offered not seasonally adjusted), which is 1.5 percentage points higher than the June rate and is unchanged over the year. The city rate ranks fifth of the 28 municipalities in Wisconsin with a population of 25,000 or greater.

The total number of jobs in Kenosha County declined by 790 over the month. This contrasts the labor force data which shows 1,400 more employed. The dynamic played here is probably the effect of an increased labor force of summer residents such as high school graduates and college students home for the summer who are employed all over the Southeast and Milwaukee metro area counties. Industries' performance is mixed as manufacturing, particularly durable goods production, is easing its slump with a relatively slight monthly loss of 150 jobs and one sub-sector, fabricated metals, showed a 100 job rise. Nondurable goods production remained unchanged since June. The over the year picture, for the first time in a while, shows a *rise* in durable goods manu-

facturing of 800 net jobs, 1,200 of them in the transportation equipment sector.

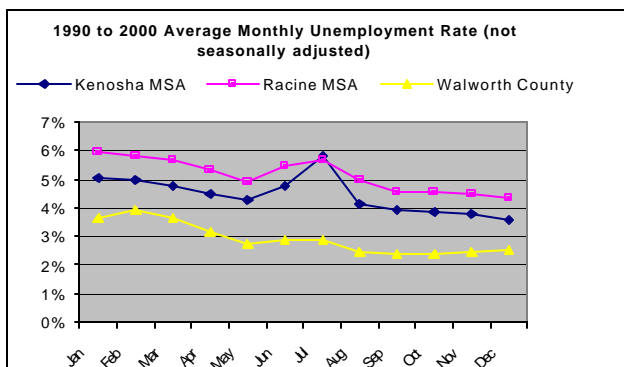
The **Racine MSA** seasonally adjusted unemployment rate increased two-tenths of a percentage point to 6.5 percent. This increase, despite the fact that 1,200 more people in the county are employed, was brought on by a 300 person increase in the number of unemployed. The City of Racine rate increased one percent to 12 percent and has the highest city rate in the state. This is probably indicative of the city's 42 percent composition of the total MSA labor force and its heavily weighted manufacturing-employed presence. Couple this with early July manufacturing slowdowns (especially around the fourth of July) in the Southeast and Milwaukee-metro area and an impact can be felt in a centrally located area.

From the employer perspective, the Racine MSA lost a little over 200 jobs over the month offset with slight gains in construction and durable goods manufacturing. Government employment, namely school employment, contributed the greatest single loss of employment (-250 jobs) as school districts' delayed payrolls technically made July reporting necessary even though teachers and staff left in June. Over the year, manufacturing reflects the softer economy down 660 jobs. Services accounts for the largest yearly increase at 940 jobs, while retail trade shows a loss of 140 jobs over the same period.

The **Walworth County** not seasonally adjusted (only) unemployment rate increased two-tenths of a percentage point to 3.5 percent as the labor force showed 530 fewer people employed and 80 more unemployed since June. Typically, the labor force increases slightly in Walworth between June and July but this slight loss is not unprecedented. The fewer people employed may reflect local school employees who are obviously not in school over the summer, nor are they looking for other work. This is a segue to the employer survey showing local government as the largest industry to show job losses over the month, -1,450

jobs. As in most counties in the Southeast and in the state, this is due to school districts and local universities paring down over summer break. The rest of the industries were fairly stable with the exception of transportation, communications and public utilities losing about 150 jobs over the month.

The yearly job picture in Walworth County shows 1 percent growth since July 2000 with growth in all sectors except manufacturing (-300 jobs) and wholesale trade (-30 jobs).



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The Southeast counties' aggregate data over the month show an overall loss of about 2,400 jobs; most in the service producing industries. Construction had a healthy gain of 300 jobs despite reports of minute yearly gains.

Non-farm employment in the **Southeast WDA** grew about 2 percent or 3,430 jobs over the last year which far exceeds the rate of growth for the state as whole. In fact, the state grew by only 900 net jobs over the July 2000 to July 2001 time period meaning that some areas of the state, such as the Milwaukee–Waukesha MSA lost a great deal of jobs (-5,100) in the last 12 month period.

The service producing sectors in the southeast gained 3,500

more employed, while the goods producing sectors, manufacturing and construction, combined for a loss of 70 jobs. Construction, though only about 4 percent of the WDA's total employment, is still an industry to be noted because of its fairly steady growth in the last four or five years and is projected to remain steady.

<b>July 2001</b>	<b>Wisconsin</b>	<b>Kenosha County/MSA</b>	<b>Racine County/MSA</b>	<b>Walworth County</b>	<b>Southeast WDA</b>
<b>Civilian Labor Force*</b>	3,128,287	86,457	98,469	56,584	241,510
Persons Employed	2,990,451	81,589	91,376	54,614	227,579
Persons Unemployed	137,836	4,868	7,093	1,970	13,931
Unemployment Rate	4.4%	5.6%	7.2%	3.5%	5.8%
<b>Total jobs of all non-farm industries**</b>	2,855,612	55,952	83,842	43,071	182,865
<b>Goods Producing Jobs</b>	742,389	14,446	27,447	12,071	53,964
<b>Service Producing Jobs</b>	2,113,223	41,506	56,395	31,000	128,901
Construction & Mining	141,187	2,513	4,109	2,410	9,032
All Manufacturing	601,202	11,933	23,338	9,661	44,932
Transportation, Communications & Public Utilities	134,399	2,064	2,293	1,442	5,799
Wholesale Trade	140,389	2,773	3,566	1,543	7,882
Retail Trade	504,323	11,303	13,685	8,591	33,579
Finance, Insurance, and Real Estate	154,325	1,550	2,297	1,615	5,462
Services	797,131	15,463	24,232	11,785	51,480
All Government	382,656	8,353	10,322	6,024	24,699
<b>Change from June 2001</b>					
<b>Civilian Labor Force*</b>	13,740	1,160	1,730	-450	2,430
Persons Employed	17,510	250	1,130	-530	850
Persons Unemployed	-3,780	910	600	80	1,580
Unemployment Rate	-0.1%	1.0%	0.5%	0.2%	0.6%
<b>Total jobs of all non-farm industries**</b>	-26,640	-790	-210	-1,080	-2,090
<b>Goods Producing Jobs</b>	5,560	30	100	-110	20
<b>Service Producing Jobs</b>	-32,200	-830	-310	-980	-2,110
Construction & Mining	3,890	190	80	40	300
All Manufacturing	1,670	-150	20	-140	-270
Transportation, Communications & Public Utilities	-3,270	-300	-130	-150	-580
Wholesale Trade	950	20	-10	-20	-10
Retail Trade	-1,380	-190	-100	190	-90
Finance, Insurance, and Real Estate	1,000	0	40	150	190
Services	760	260	140	310	710
All Government	-30,260	-620	-250	-1,450	-2,320
<b>Change from July 2000</b>					
<b>Civilian Labor Force*</b>	127,610	5,230	4,740	2,260	12,230
Persons Employed	106,280	5,070	2,850	1,760	9,680
Persons Unemployed	21,330	160	1,890	500	2,550
Unemployment Rate	0.5%	-0.2%	1.7%	0.8%	0.8%
<b>Total jobs of all non-farm industries**</b>	900	2,220	780	430	3,430
<b>Goods Producing Jobs</b>	-24,660	930	-710	-290	-70
<b>Service Producing Jobs</b>	25,560	1,290	1,490	720	3,500
Construction & Mining	90	60	-50	10	20
All Manufacturing	-24,750	870	-660	-300	-90
Transportation, Communications & Public Utilities	2,080	160	60	0	210
Wholesale Trade	-750	-10	190	-30	150
Retail Trade	3,440	110	-170	250	180
Finance, Insurance, and Real Estate	3,830	-30	-40	160	90

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